MHT CAPITAL GRANT PROGRAM

FISCAL YEAR 2019

GRANT GUIDELINES

updated November 09, 2018

Intent to Apply must be submitted ONLINE
by February 15, 2019 at 11:59 p.m.

Full Grant Application must be submitted ONLINE
by March 22, 2019 at 11:59 p.m.

Access the online grant application from:

http://mht.maryland.gov/grants.shtml

Maryland Historical Trust

100 Community Place

Crownsville, MD 21032-2023

www.mht.maryland.gov

MARYLAND HISTORICAL TRUST MISSION STATEMENT

The Maryland Historical Trust is dedicated to preserving and interpreting the legacy

of Maryland's past. Through research, conservation and education, the Maryland Historical Trust assists the people of Maryland in understanding their historical and cultural heritage.

The Maryland Historical Trust is a unit of the Maryland Department of Planning (MDP).

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General Information

Program Overview

The Maryland Historical Trust's **Capital Grant Program** (the "Program") promotes the acquisition, restoration, and rehabilitation of historic properties in Maryland which are listed in or eligible for the Maryland Register of Historic Properties, either individually or as a contributing structure within a district. The Program offers assistance to non-profit organizations, local jurisdictions, business entities and private citizens.

Individual grant awards will range from a suggested minimum of $10,000 to a maximum of $100,000**.**   An applicant entity must only submit one application per property; however, each applicant entity may submit separate applications for individual properties.

Eligible Projects

The following capital project types are eligible for assistance. All projects must be capital projects on a property that is eligible for or listed on the Maryland Register.
- Acquisition
- Rehabilitation
- Restoration
- Predevelopment costs such as studies, surveys, plans and specifications, and architectural, engineering, or other special services directly related to a capital project (these are only eligible costs for nonprofit organizations and local government applicants)

Work, or a discrete phase of work, that is already underway or completed is not eligible for grant funding. See Exhibit 4 of this document for a complete list of eligible and ineligible costs.

All projects funded through this program are subject to MHT review before project work commences and must comply with the Secretary of the Interior's Standards for Treatment of Historic Properties (36 CFR 68), found at http://www.nps.gov/tps/standards.htm .

See "Project Design Tab" section of this document for more information on eligible projects.

Eligible Properties

- All properties must be eligible for or listed on the Maryland Register of Historic Properties, either individually or as a contributing structure within a district.
- Structures used for religious purposes are generally eligible for assistance for exterior work only and are reviewed for eligibility on a case by case basis. Spaces used primarily for religious purposes or elements bearing religious imagery are not eligible for funding.
- A perpetual preservation easement on the assisted property must be conveyed to MHT (for more information, visit https://mht.maryland.gov/easement.shtml).
  - The permission of the property owner to undertake the project, and agreeing to the conveyance of an easement, must be secured in writing and provided as part of the grant application.

See "Property Tab" section of this document for more information on property eligibility.

Eligible Applicants

The following entity types are eligible for this program. All applicants should be aware that the project must have a demonstrated public benefit in order to be competitive.
- Nonprofits
- Local governments
- Business entities
- Individuals

State and federal government entities are eligible to apply as nonprofits. However, projects involving state and federally owned properties cannot comply with the requirement to convey a perpetual preservation easement to MHT and therefore are not expected to rank highly enough for funding.

See "Applicant Tab" section of this document for more information on applicant eligibility.

Contact Information and Workshops

Workshops about this grant program will be held across the state in November and December 2018. See MHT's website at http://mht.maryland.gov/grants_capital.shtml for more information, including dates, times, and locations. For questions about the program or application process, please contact Courtney Hotchkiss, MHT Capital Grants Administrator, at courtney.hotchkiss@maryland.gov or 410-697-9514.

Intent to Apply Deadline (online submission): 11:59 pm on February 15, 2019

Application Process and Deadlines

Full Application Deadline (online submission): 11:59 pm on March 15, 2019

LATE SUBMISSIONS CANNOT BE ACCEPTED.

Access the online grant portal from: http://mht.maryland.gov/grants.shtml

- Only applicants who have submitted an Intent to Apply will be able to submit a full application.
- Please note that all questions with a **red asterisk** (*****) require answers. You will not be allowed to submit your Intent to Apply or full application without first answering these questions or uploading the required documents.
- When you have submitted your application successfully, you will see a confirmation message on the screen, and you will receive a confirmation e-mail.
- It is not necessary to submit a hard copy of your application or attachments.
- Please review the "Quick Start" guide available here https://mht.maryland.gov/documents/PDF/grants/Quick-Start.pdf before beginning your grant application. This document will give you valuable tips on how to use the online application system.

"Project Design" Tab

On this tab you will describe the proposed project.

Please ensure that the proposed project is an eligible project.
- Grants awarded through this Program may be used only to support *capital projects, i.e. acquisition, rehabilitation, and restoration of properties eligible for or listed on the Maryland Register* with an expected useful life of at least 15 years.
- Non-profit and local government applicants may also receive funding for *pre-development costs as part of an acquisition, rehabilitation, or restoration project*. Such pre-development costs may cover assessments and treatment recommendations necessary for a capital project, plans and specifications, archeological investigations necessary for a capital project as required by MHT, and reasonable fees for architectural, design, engineering, and other special services excluding legal fees, insurance premiums, appraisal fees, and other costs not directly associated with project acquisition or construction activities. Master planning and feasibility studies are NOT eligible.
- Projects for which funding has been received from the Program may seek funding again in subsequent fiscal years provided that funding is sought for a different phase of the overall project. Funding of any phase of a project does not guarantee funding in any future phase of the project.
- *Please note that grant funds may not be used for ANY phase of work that is already underway or complete.*

Projects must adhere to the *Secretary of the Interior's Standards for the Treatment of Historic Properties* (36CFR Part68). The Standards are available on the National Park Service website: http://www.nps.gov/tps/standards.htm. **If your application describes a project which does not substantially conform to the Secretary's Standards, your application will be deemed ineligible and not evaluated for funding.** If you require guidance on this issue, please contact Courtney Hotchkiss at MHT.
- MHT will require an easement on any property awarded a grant. See our easements page for more information: http://mht.maryland.gov/easement.shtml.
- **Structures used for religious purposes** may be eligible for grant assistance generally for exterior or structural work only and will be reviewed for eligibility by MHT on a case by case basis. Spaces or objects used primarily for religious purposes are not eligible for funding.

Ineligible projects
- Acquisition, protection, stabilization, rehabilitation, or restoration work that is already underway or completed. (You may, however, apply for funds for an **upcoming phase** of a larger, phased rehabilitation project that is already underway, as long as you define your phased approach in your application.)
- Master planning and feasibility studies.

Projects that <u>do not</u> conform to the *Secretary of the Interior's Standards for Treatment of Historic Properties* (36 CFR Part 68) are not eligible for funding. Copies of the Standards may be obtained from the National Park Service website: http://www.nps.gov/tps/standards.htm. **If your application describes a project which does not substantially conform to the Secretary's Standards, your application will be deemed ineligible and not evaluated for funding.**

- Expenditures that are not "capital" expenditures, such as employee salaries, legal fees, educational programming, research which is not directly necessary for the capital project, etc. Many of these ineligible costs are defined in **Exhibit 5**.

Project Description

Concisely describe the overall project, including past and future phases of work as well as work being funded through other sources. This description should provide an overall summary of the project, as well as the context of the work for which you are requesting funding. Use this as an opportunity to demonstrate that the most urgent work is being given highest priority.

Grant Project Scope of Work

Describe the work for which you are requesting grant funds. Any match you are providing should also fund this phase of the work. Please note that all work must be in accordance with the Secretary of the Interior's Standards.

Grant Project Start and End Date
- You will need to demonstrate that you will be able to complete the project within the two-year window for the grant.
- The application system will not allow you to enter a start date earlier than April 1, 2018 or an end date later than April 1, 2020.
- **See Exhibit 2 for the grant evaluation and administration schedule.** This document will help you understand an approximate time frame for your grant but should not be used as an exact basis for your project-specific timeline.

Key Steps and Timeline
- List the steps you will take to complete the project and projected dates when you will undertake them.
- Use list form rather than narrative form. **See Exhibit 3 for a sample timeline.**
- Line items may be individual steps, or may be the same as the line items in your detailed budget on the budget tab.

Scoring criteria applicable to this section:
- **PROJECT SCOPE & PROTECTIVE VALUE:** Does the proposed project contribute to or assure long-term preservation of the resource or of Maryland's culture and heritage? Will this project result in an MHT easement? Does the project provide concrete action to protect the resource(s)? Does the project address the most pressing needs and assure continued viability of the resource(s)? Will the project provide a complete product? (If one phase of a multi-year project, this refers to the completeness of this year's phase alone.) Will this be the final phase of a project that is nearing completion? Will the project design minimize long-term maintenance costs?
- **PROJECT GOALS:** Are project goals and scope consistent with the mission and goals of the Maryland Historical Trust? Does the proposed work conform to the Secretary of the Interior's Standards? The Standards can be found at the following site: http://www.nps.gov/tps/standards.htm)?
- **PROJECT SCHEDULE:** Can the project begin when indicated, i.e. does the applicant reflect an awareness of when grant funding will be available (earliest, June 2019)? Can the work be completed within 2 years? Has a realistic sequence with appropriate work steps been developed?

"Budget" Tab

On this tab, you will be asked to download a budget form as a spreadsheet and fill it in with the details of your project.

Project Budget
- Individual grant awards are expected to range from a suggested minimum of $10,000 to a maximum of $100,000.
- Grant requests should be in an even increment of $1,000.
- If possible, use the line items from your "Grant Project Scope of Work" in the Project Design Tab and provide a cost for each item.
- **See the downloadable budget spreadsheet for a sample project budget.**

Matching Funds
- **All Grant recipients, <u>except for non-profit organizations</u>, are required to match the grant dollar-for-dollar in cash and/or an equivalent dollar value of in-kind services.**
- In general, the presence of matching funds improves the chances of a project being awarded grant funds. Although non-profit organizations are exempt from matching requirements, strong cash and/or in-kind commitment is recommended and will enhance the competitiveness of the application. Please also note that some expenses that may be incurred by the grantee in the course of the grant project (insurance; utility bills; legal fees; etc.) CANNOT be reimbursed out of the grant funds. **See Exhibit 4 for a table which describes eligible and ineligible costs.**
- Proposed matching funds must be in hand at the time of application. *Failure to provide all proposed matching funds may result in a reduction or forfeiture of grant award funding.*   Projects are judged by their readiness to proceed.
- There is a column in the budget sheet called where you can enter funds that you plan to use toward the project but would not like to commit to match, or funds that supersede match requirements.
- The cost to acquire a property that is the subject of the grant project may not be considered as matching funds unless the grant project is exclusively for acquisition purposes.
- A grantee may use more than one source of state funds on a single project as long as the scope of work is divided and the funds do not overlap. Other state funds may not be used as match for this grant.
- If you are using volunteer time or donated services:
  - The value of unpaid volunteer time can be valued at the current rate of volunteer time set for the state of Maryland by the organization Independent Sector: http://www.independentsector.org/volunteer_time (you will need to create a login to view the rate for individual states).
  - Please note that all members of your organization's board must use the hourly rate for volunteer time even if they are providing professional services (i.e. a lawyer on your organization's board, if providing pro bono legal services, can only value her time at the volunteer's hourly rate, not a lawyer's hourly rate).
  - Donated professional or construction services may count as in-kind match and should be calculated based on the individual's customary hourly rate.
  - Volunteer hours are not reimbursable.

- Any project match must:
  - Not have been used as match for any other state or federally assisted program (for example, the Maryland Heritage Areas Authority (MHAA) grants);
  - Be necessary and reasonable for proper and efficient accomplishment of the grant project;
  - Be eligible expenses per the tables in **Exhibit 4**;
  - Be verifiable;
  - Be incurred and contributed within the grant period, as defined by the Grant Agreement;
  - Be provided for in the scope of work of the Grant Agreement.
- Match documentation may consist of one or more of the following. If you have any questions or situations which are not covered here, please contact Courtney Hotchkiss at MHT:
  - A bank statement or treasurer's report showing cash in hand.
  - Letters from donors or potential donors; the letter needs to show clearly that the intended donation may be used toward the grant project.
  - Award letters for non-state grants; documentation must be included to demonstrate that the grant may be used toward the MHT grant project.
  - Loan commitment letters; documentation must be included to demonstrate that the loan proceeds may be used toward the MHT grant project.
  - For volunteered time or donated services, a signed statement from the donor stating the number of hours expected to be donated, the hourly rate, and the total amount of the donation as well as a description of the services to be provided.
  - For donated materials, a signed statement or receipt / invoice from the donor attesting to the value of the materials.
  - For a government entity, a budget document showing the line item(s) from which match is committed.

Scoring criteria applicable to this section:
- **PROJECT BUDGET:** Is the overall budget realistic for the proposed project? Are the costs reasonable and necessary? Are all costs eligible?
- **FINANCIAL CAPABILITY:** Does the sponsoring group provide any other documented (i.e. accompanied by commitment letter, bank statement, etc.) project funding? How much cash and/or in-kind commitment is being offered by the sponsor? [Note: Projects sponsored by local jurisdictions, business entities, and individuals **must** provide a full 1:1 cash or in-kind match.] Has the applicant documented that the full cash and/or in-kind commitment will be in hand when the grant is awarded? Is the in-kind match eligible per grant requirements? Does the applicant demonstrate financial commitment to maintaining the project for at least 15 years?

"Property" Tab

On this tab you will enter information about the property for which you are seeking grant assistance.

- The property for which you are seeking funding must be identified by its correct physical address, not the address of your organization.
- Only properties eligible for or listed on the Maryland Register of Historic Properties are eligible to apply for funding through this program. For properties that are not currently listed on the Maryland Register, MHT will determine eligibility for the purposes of the Program before you will be invited to submit a full application.
- The Program is a **CAPITAL** grant program, which means that only construction-related projects are eligible. If you are unsure if your proposed project / scope of work is eligible, please read the eligibility requirements under the Project Design Tab section of the guidelines.
- You will be asked to identify the owner of the property for which you are seeking grant assistance. You can look up the legal property owner on the State Department of Assessments and Taxation website (https://sdat.dat.maryland.gov/RealProperty/Pages/default.aspx).
- Whether or not the property owner and grant applicant are the same, you MUST provide a letter from the legal property owner granting consent to the project and to the conveyance of a preservation easement on the property to MHT. MHT will require an easement for any property receiving funding through the Program. Information about MHT's easements may be found here: http://mht.maryland.gov/easement.shtml.
    - **If your application does not identify the correct legal owner for the property, or if the legal owner of the property has not provided the above-referenced letter by the grant application deadline, your application will be deemed ineligible and not evaluated for funding.**
    - A sample letter from the property owner, and additional information about this requirement, can be found in Exhibit 6 of this document.
    - **If you cannot determine the legal owner of the property, please contact Courtney Hotchkiss at MHT for guidance.**

Scoring criteria applicable to this section:
- **[GEOGRAPHIC DISTRIBUTION:** This is completed by MHT staff and compares:
    - Each county's share of historic properties listed on the National Register   --to--
    - each county's share of MHT and MHAA capital grant funds

"Significance" Tab

On this tab you will describe the significance and urgency of the project.
How you describe the **significance** of the project depends on the nature of your specific project.

Scoring criteria applicable to this section:

- **SIGNIFICANCE OF THE PROJECT:** To what extent will the project acquire, rehabilitate, or restore districts, sites, buildings, or objects significant in the prehistory, history, archaeology, architecture, engineering, or culture of the State of Maryland and listed on or eligible for the Maryland Register of Historic Places?
- **URGENCY:** Is the resource imminently endangered (i.e., by development pressures, erosion, neglect) or is there a unique window of opportunity to complete the proposed project?

"Public Benefit" Tab

On this tab you will discuss the goals, public benefit, public access, and educational value of your project. You will also describe how you will share information about your project and engage in partnerships.

Scoring criteria applicable to this section:
- **PUBLIC BENEFIT:** What is the planned use of the project and what are its benefits to the general public? What level of public access will be provided? How will information about the project be made available to the public? Will the project be accessible to individuals with disabilities?
- **EDUCATIONAL & DEMONSTRATION VALUE:** Is there an education component to your project? If so, how permanent and far reaching is it? Does the project offer interpretation of the site, heritage, or resource? Does the project have the potential to be a model or an innovator?
- **LOCAL COMMITMENT:** Is the project supported by legislative, county, and local government representatives?
- **LEVERAGE:** Will the project stimulate or prompt other preservation projects or programs throughout the community and/or professional preservation support?

"Support" Tab

On this tab, you will demonstrate local support for this project by providing letters of support from local and state representatives.

Scoring criteria applicable to this section:

- **LOCAL COMMITMENT:** Is the project supported by legislative, county, and local government representatives?

"Project Management" Tab

On this tab you will address the ability of your organization to administer projects and grants of this type. Also on this tab, you will address the qualifications of any architects, engineers, consultants, or contractors who you consulted in developing this grant application (for example, an architect who assisted you in creating the scope of work, or a contractor who provided a cost estimate) or who are involved in an ongoing phase of the project.

> *For the purposes of this grant application, it is sufficient for you to obtain a cost estimate from a single firm for planning purposes; however, please be aware that competitive procurement will need to be conducted once a grant is awarded. All contractors or consultants whose services are to be paid, in full or in part, out of the grant funds must be selected through a competitive procurement process acceptable to MHT.*

Scoring criteria applicable to this section:
- **ADMINISTRATIVE CAPABILITY:** Do the project sponsor and administrative personnel demonstrate the capability to successfully administer grant monies, meet project deadlines, and follow established procedures? Does the project sponsor have the capability to maintain the project over time?
- **PROFESSIONAL CAPABILITY:** Has the applicant sought advice from personnel with the necessary training, education, and experience to carry out specific project goals (i.e., recognized in field, does high quality work, experience applicable to the subject)?

"Applicant" Tab

On this tab you will enter information about the organization that is applying for the grant. This information helps us evaluate the organization's eligibility to receive a grant.

- You will be asked to upload this organization's organizational documents.
- You will be asked to assign a "project contact". Typically you will enter your own information as the project contact. Once you fill in this information, the system will pre-fill this information on your future applications.
- If you have previously filled out ANY grant application using MHT's online grant application system, the information that you previously entered about the organization will be automatically filled in on your application form. If you are submitting applications for multiple organizations, you will need to create separate user accounts.

Please ensure that the organization is an eligible applicant.

- *Non-profit organizations* (state and federal government entities may apply as nonprofits) and *local jurisdictions*, as defined in COMAR 34.04.01.03, are eligible to apply for Program funding. Please see **Exhibit 1: Applicant Entity Requirements.**
- *Private individuals* and *business entities* may also sponsor grants; however, they should be aware that the selection criteria typically favor the selection of projects and properties owned or sponsored by non-profit organizations and local jurisdictions. In order to be competitive, projects sponsored by private individuals and for-profit business entities must involve a predominantly "public purpose" use, rather than a private benefit.
- Non-profit organizations and business entities must be in good standing with the State Department of Assessments and Taxation (SDAT), qualified to do business in Maryland, and have the legal capacity and authority to incur obligations involved in the grant program**. SDAT registration must be complete at the time of grant application or the grant application will be ruled ineligible. Note:** The State Comptroller's Office will apply any grant award to offset any outstanding State taxes.
- **Non-profit organizations and business entities must provide a letter from the IRS documenting business or charitable status at the time of grant application or the grant application will be ruled ineligible.**
- State and federal government entities are eligible to apply as nonprofits. However, projects involving state and federally owned properties cannot comply with the requirement to convey a perpetual preservation easement to MHT and therefore are not expected to rank highly enough for funding.

"Release & Consent" Tab

This tab includes disclosures for your response as well as an electronic "signature". If you have any questions about the content of this tab, please contact Courtney Hotchkiss at MHT.

"Attachments" Tab

This tab allows you to upload documents in support of your application.
- Instructions on how to upload documents are included near the bottom of the tab.
- Photographs and photograph descriptions are REQUIRED.
- Other documentation is OPTIONAL but may strengthen your application.
- Please limit the size of uploads as much as possible.
- Please only include documents which are referenced on the "Attachments" tab and which are directly relevant to the grant application.

Grant Terms & Conditions

All applicants awarded grants through the Program will be required to enter into a Grant Agreement with MHT, which generally contains the following standard terms and conditions:

- Easement
    - An easement must be conveyed to MHT on any historic real property awarded a grant through this program. A preservation agreement must be conveyed to MHT on any historic property OTHER THAN real property that is awarded a grant through this program.
    - For more information, see Exhibit 6: "Property Owner Consent to Project and Consent to Easement."
- Grant Disbursements
    - Grant funds will only be disbursed after the recordation of the easement.
    - Grant funds will not be disbursed "up front." Disbursements will be made as the project progresses, proportionate with expenditure of matching funds.
    - Grant disbursement will occur based upon Requests for Payment submitted by the grant recipient in a form satisfactory to the Trust and upon fulfillment of the other requirements of the grant as provided in the Grants Manual.
    - Please note that all contractors, architects, craftspeople, etc. whose services are to be paid for (or partially paid for) with State funds will need to be selected by a process approved by the Trust. This requires those services to be publicly advertised or widely solicited. *It is not expected that grant applicants have already conducted competitive procurement at the time of application.*
    - Contact Courtney Hotchkiss, Capital Grants Administrator at MHT, with questions: 410-697-9514 or **courtney.hotchkiss@maryland.gov**
- Insurance
    - The Grant recipient will be required to insure the assisted property against loss or damage by fire, flood, or other hazards, casualties, and contingencies as may be required by MHT, in amounts satisfactory to MHT and with MHT as named additional insured. Similarly, General Liability Insurance will be required for all construction efforts.
- **Standing with SDAT**
    - Your organization must maintain good standing with the State Department of Assessments and Taxation before MHT will execute a grant agreement, and must maintain good standing throughout the course of the project. To verify your organization's standing, please check here: https://egov.maryland.gov/BusinessExpress/EntitySearch

Exhibit 1: Applicant Entity Requirements

On the "Applicant" tab of the online grant application, you are asked to enter information about the "Applicant Organization." The grant applicant may be a non-profit organization (state and federal government entities may apply as non-profits), a business entity, a local government, or an individual.

In order to receive grant funds from the Maryland Historical Trust, the applicant entity must meet the following requirements.

- **If the applicant entity is a non-profit organization (except state and federal government entities):**
  - Must submit organizational documents to MHT as part of the application.
    - Typically both (a) articles of incorporation and (b) bylaws must be submitted.
    - If you do not have these, they will need to be drawn up either by your organization or by your organization's attorney. Examples or templates may be found online and adapted to your organization's specific needs, if appropriate.
  - Must submit IRS letter of determination of non-profit status, which includes an Employer Identification Number (EIN), to MHT as part of the application.
    - See http://www.irs.gov/Charities-&-Non-Profits for instructions if your organization is not already registered. You can search the IRS database at http://www.irs.gov/Charities-&-Non-Profits/Search-for-Charities to see if your organization is already registered.
    - If your affiliated organization's tax-exempt status derives from the tax exemption of a parent organization, you may provide an "umbrella" IRS determination letter, such as for the governing body of a religious organization. However, this must be accompanied by evidence of the grant applicant's inclusion under a group exemption letter, such as the grant applicant's annual information return (i.e. IRS Form 990) showing the governing body's group exemption ID number.
  - Must be registered to do business with the Maryland State Department of Assessments and Taxation.
    - If you are unsure if your organization has already registered, you can search for registered organizations here: https://egov.maryland.gov/BusinessExpress/EntitySearch, then search for your organization by name. You should search using both the full name of the organization and, if you do not find it, also search using parts of the name (i.e. search under Asbury United Methodist Church AND search under Asbury). Clicking on the "Department ID" next to any of the results will show you additional information about the entity. If you are not sure if your entity is the one you see listed, you should contact SDAT.
    - If your organization is not already registered, contact SDAT to register, allowing time to ensure the registration process can be completed before the grant application

deadline. This process will require you, among other things, to file articles of incorporation, to pay an initial filing fee, to file annual reports/personal property returns, and pay annual filing fees.

- o Must be in good standing with the Maryland State Department of Assessments and Taxation. To check if your entity is in good standing:
    - ▪ Go to https://egov.maryland.gov/BusinessExpress/EntitySearch, then search for your organization by name.
    - On the next screen (search results), locate your organization. Click on the "Department ID" next to the name of your organization.
    - The next page will show contact information and status for your organization.   If the status column reads "Active," "Revived," or "Incorporated," your organization is in good standing. If the status column reads "Forfeited" or "Dissolved," or if the information shown on the "General Info" page is not up-to-date (including "Resident Agent"), you must contact SDAT to resolve any outstanding issues and revisit the SDAT website to ensure the status is updated to "Active," "Revived," or "Incorporated."
    - MHT will require the applicant / grantee organization to be in good standing <u>at the time a grant agreement is signed by MHT</u>.
- o Non-profit organizations may be required to register with the State of Maryland's charitable registry. To find out if this requirement applies to you, go to the Secretary of State charitable registry website at https://sos.maryland.gov/Charity/Pages/default.aspx

- **If the applicant is a business entity:**
    - o Must submit organizational documents such as articles of incorporation or articles of organization, as well as bylaws or operating agreements, to MHT as part of the application.
    - o Must be registered to do business with the Maryland State Department of Assessments and Taxation.

        - ▪ If you are unsure if your organization has already registered, you can search for registered organizations here: https://egov.maryland.gov/BusinessExpress/EntitySearch, then search for your organization by name. You should search using both the full name of the organization and, if you do not find it, also search using <u>parts</u> of the name (i.e. search under Asbury United Methodist Church AND search under Asbury). Clicking on "General Info" next to any of the results will show you additional information about the entity. If you are not sure if your entity is the one you see listed, you should contact SDAT.
        - ▪ If your business is not already registered, information about how to register is available from SDAT at https://egov.maryland.gov/businessexpress.   The registration process will require you, among other things, to file articles of incorporation or articles of organization, to pay an initial filing fee, to file annual reports/personal property returns, and to pay annual filing fees.
    - o Must be in good standing with the Maryland State Department of Assessments and Taxation. To check if your entity is in good standing:

- Go to https://egov.maryland.gov/BusinessExpress/EntitySearch, then search for your organization by name.
- On the next screen (search results), locate your organization. Click on the "Department ID" next to the name of your organization.
  - The next page will show contact information and status for your organization.   If the status column reads "Active," "Revived," or "Incorporated," your organization is in good standing. If the status column reads "Forfeited" or "Dissolved", or if the information shown on the "General Info" page is not up-to-date (including "Resident Agent"), you must contact SDAT to resolve any outstanding issues and revisit the SDAT website to ensure the status is updated to "Active," "Revived," or "Incorporated."
  - MHT will require the applicant / grantee organization to be in good standing <u>at the time a grant agreement is signed by MHT</u>.

- **If the applicant is a local, state, or federal government entity:**
  - None of the above apply; fill in your EIN where requested on the application.

- **If the applicant is an individual:**
  - None of the above apply; fill in your Social Security number where an EIN is requested on the application.

Exhibit 2: Application Evaluation & Grant Administration Schedule

All dates are approximate

The application and selection process will follow a prescribed schedule, outlined below. Please be sure to take this schedule into consideration when developing your schedule for the grant application.

November 2018   Official announcement of Grant availability and workshop schedule.

February 15, 2019   Intent to Apply must be submitted ONLINE by 11:59 p.m.

March 22, 2019   Full Grant Application must be submitted ONLINE by 11:59 p.m. Submission must include a completed application and all required attachments.

February through mid-May 2019   Application evaluation and scoring is conducted by MHT staff. Award recommendations are forwarded by the MHT Board of Trustees and to the Secretary of Planning. See **Exhibit 5: Scoring Criteria**.

Late May – early June 2019   Grant award announcements.

Beginning May 2019   Grant agreements are mailed out by MHT, and are then signed by Grantees and returned to MHT. MHT submits grant agreements to the Board of Public Works for approval. MHT will schedule an Organizational Meeting with each grantee and distribute the Manual of Program Requirements (outlining all required steps of the process before funds may be drawn down).

Approximately June 1, 2021   Deadline for completion of project. If a time extension is needed, the grantee must obtain an extension of the grant from MHT before this date or the grant will automatically expire.

Exhibit 3: Sample Timeline

The text below is a sample of the kind of project timeline you might enter into the appropriate box in the "Project Design" tab on the application. Please note that while the MHT-funded work must not begin until (earliest) April of 2019, and must be complete by April of 2021, your timeline may include project benchmarks before and after those dates, particularly if you have a complex, multi-phase project. Please show dates outside of the two-year project period or outside the scope of this grant request in [brackets] for clarity. Not all of the work steps shown in this example will necessarily apply to your project.

- [January 1, 2019: scheduled date for settlement on purchase of the Smith County Rosenwald School]
- [April - May 2019: Phase One: Structural analysis of building using our own funds]
- June 2019: Notification from MHT regarding grant award
- June-July 2019: Review MHT-provided grant agreement and provide necessary grant and easement documentation to MHT.
- July - October 2019: Phase Two: Hire an architect to develop plans and specifications for the work to be funded from the potential MHT grant. The architectural services will be paid out of a grant from the Smith County Preservation Society and donated time by the architect. Submit architectural plans and specifications to MHT for review. Submit architectural plans and specifications to County for review by Historic Preservation Commission.
- October - December 2019: Conduct RFP for contractor to undertake the work. Submit plans and specifications for building permits.
- January 2020: Contractor begins work on Phase Two: Exterior Rehabilitation to be funded through this MHT grant.
- January 2020 - March 2022: Phase Two construction is ongoing and MHT grant funds are being drawn down.
- March 2021: Phase Two construction is completed. Submit final report to MHT and close out the current grant.
- [March - October 2021: Continue into Phase Three: Interior Rehabilitation if funds are available.]
- [October 2021: Target date for completion of rehabilitation project and grand opening of the Smith County Rosenwald School Museum.]

Exhibit 4: Eligible Expenditures for Grant & Match

Grant Funds CANNOT be used to pay for:	Items which CANNOT be counted as match:
• Expenditures outside the grant period as defined in the grant agreement	• Expenditures outside the grant period as defined in the grant agreement
• Expenditures outside the scope of the grant agreement	• Expenditures outside the scope of the grant agreement
• Non-capital expenses such as research, studies, or predevelopment activities that are not part of a capital project	• Non-capital expenses such as research, studies, or predevelopment activities that are not part of a capital project
• Insurance	• Insurance
• Appraisals	• Appraisals
• Equipment that is not inherent to the capital project	• Equipment that is not inherent to the capital project
• Indoor or outdoor exhibits with an expected useful life of less than 15 years	• Indoor or outdoor exhibits with an expected useful life of less than 15 years
• Employee salaries	• Employee salaries
• Project / grant management, if it can be reasonably included in staff job duties	• Project / grant management, if it can be reasonably included in staff job duties
• Meetings (venue rentals, food, etc.)	• Meetings (venue rentals, food, etc.)
• Maintenance	• Maintenance
• Landscaping that is not related to necessary work scope	• Landscaping that is not related to necessary work scope
• General office expenses	• General office expenses
• Accounting or audit costs	• Accounting or audit costs
• Property tax or personal property tax	• Property tax or personal property tax
• Legal fees, including legal fees involved in conveying an easement to MHT	• Other state funds (bond bill, etc.) – see note above
• Work to any area of a site or building, or a building element, that is used for religious purposes (i.e. interior of worship space, Sunday School classroom), unless the work is required to make repairs to the building structure	• Funds which have been used as match for any other state or federally assisted program – see explanation above
• Any work that is not properly bid (see separate information on procurement process for design and construction services). **Contracts to be paid out of grant funds CANNOT be sole-sourced.**	• Costs to acquire a property, unless the grant is for acquisition
• Some permit or approval fees	
• Reimbursing volunteer time	

Items which CAN be counted as Match:	Items which CAN be counted as In-Kind Match:
• Expenditures within the grant period as defined in the grant agreement	• Expenditures within the grant period as defined in the grant agreement
• Expenditures within the scope of the grant agreement	• Expenditures within the scope of the grant agreement
• Cash	• Volunteer time (with documentation) calculated at the current rate of volunteer time set by the organization Independent Sector (see "Project Design" section)
• Cash purchases such as materials	• Donated professional or construction services (with documentation) calculated based on the individual's customary hourly rate (see "Project Design" section)
• Funding from a loan that is NOT from the state government	• Donated materials (with documentation) (see "Project Design" section)
• Services which have not been bid through the appropriate procurement process	• Discounted materials (clear breakdown of market price and applicable discount must be provided)
• Permits	
• Legal fees which are directly related to the grant or the requirements of the grant (i.e. easement)	

Exhibit 5: Selection Criteria

- In accordance with the Project Selection Criteria, as provided for in COMAR 34.04.01.06, grant proposals will be reviewed using criteria outlined under five general headings listed below. For the process and timetable of application evaluation, please see Exhibit 2: Application Evaluation & Grant Administration Schedule.
- The selection criteria correspond to the "tabs" on the online application. These criteria are also listed in this guidelines document along with the guidance for each "tab".

SCORING CRITERIA

I. PROJECT SCOPE AND DESIGN

a. **PROJECT SCOPE & PROTECTIVE VALUE:** Does the proposed project contribute to or assure long-term preservation of the resource or of Maryland's culture and heritage? Will this project result in an MHT easement? Does the project provide concrete action to protect the resource(s)? Does the project address the most pressing needs and assure continued viability of the resource(s)? Will the project provide a complete product? (If one phase of a multi-year project, this refers to the completeness of this year's phase alone.) Will this be the final phase of a project that is nearing completion? Will the project design minimize long-term maintenance costs?

b. **PROJECT GOALS:** Are project goals and scope consistent with the mission and goals of the Maryland Historical Trust? Does the proposed work conform to the Secretary of the Interior's Standards? The Standards can be found at the following site: http://www.nps.gov/tps/standards.htm).

c. **PROJECT SCHEDULE:** Can the project begin when indicated, i.e. does the applicant reflect an awareness of when grant funding will be available? Can the work be completed within 2 years? Has a realistic sequence with appropriate work steps been developed?

d. **PROJECT BUDGET:** Is the overall budget realistic for the proposed project? Are the costs reasonable and necessary? Are all costs eligible? If the project is for a church, are expenditures on spaces used for religious activities excluded from the grant funding request?

e. **FINANCIAL CAPABILITY:** Does the sponsoring group provide any other documented (i.e. accompanied by commitment letter, bank statement, etc.) project funding? How much cash and/or in-kind commitment is being offered by the sponsor? [Note: Projects sponsored by local jurisdictions, business entities, and individuals **must** provide a full 1:1 cash or in-kind match.] Has the applicant documented that the full cash and/or in-kind commitment will be in hand when the grant is awarded? Is the in-kind match eligible per grant requirements? Does the applicant demonstrate financial commitment to maintaining the project for at least 15 years?

II. **SIGNIFICANCE AND NEED**

    a. **SIGNIFICANCE OF THE PROJECT:** To what extent will the project acquire, rehabilitate, or restore districts, sites, buildings, or objects significant in the prehistory, history, upland or underwater archeology, architecture, engineering, or culture of the State and listed in or eligible for listing in the Maryland Register of Historic Properties?

    b. **URGENCY:** Is the resource imminently endangered (i.e., by development pressures, erosion, neglect) or is there a unique window of opportunity to complete the proposed project?

III. **PUBLIC BENEFIT AND LOCAL SUPPORT**

    a. **PUBLIC BENEFIT:** What is the planned use of the project and what are its benefits to the general public? What level of public access will be provided? How will information about the project be made available to the public? Will the project be accessible to individuals with disabilities?

    b. **EDUCATIONAL & DEMONSTRATION VALUE:** Is there an education component to your project? If so, how permanent and far reaching is it? Does the project offer interpretation of the site, heritage, or resource? Does the project have the potential to be a model or an innovator?

    c. **LEVERAGE:** Will the project stimulate or prompt other preservation projects or programs throughout the community and/or professional preservation support?

    d. **LOCAL COMMITMENT:** Is the project supported by legislative, county, and local government representatives?

IV. **PROJECT MANAGEMENT**

    a. **ADMINISTRATIVE CAPABILITY**: Do the project sponsor and administrative personnel demonstrate the capability to successfully administer grant monies, meet project deadlines, and follow established procedures? Does the project sponsor have the capability to maintain the project over time?

    b. **PROFESSIONAL CAPABILITY:** Has the applicant sought advice from personnel with the necessary training, education, and experience to carry out specific project goals (i.e., recognized in field, does high quality work, experience applicable to the subject)?

V. **GEOGRAPHIC DISTRIBUTION:** This is completed by MHT staff and compares: Each county's share of historic properties listed on the National Register --to-- each county's share of MHT and MHAA capital grant funds.

Exhibit 6: Property Owner Consent – Instructions & Sample Letter

- **Owner consent to the project and commitment to a perpetual preservation easement or preservation/maintenance agreement is required for the project to be eligible for a grant. Failure to submit the required letter using the required language will result in your application being ineligible for funding.** Using the sample text provided on the following page, attach a letter indicating the willingness of the property owner(s) to support the project and to convey to MHT a perpetual preservation easement or a preservation agreement on the project property.
- If MHT already holds an easement on the property, you must still attach a letter confirming willingness to execute a modification to the existing deed of easement if one is necessary, as required by MHT.
- The Grant recipient will be required to provide to MHT certain legal documents per MHT's request. The costs incurred by the Grant recipient in providing these documents are typically not eligible for reimbursement out of grant funds. The required documents may include a boundary survey, metes and bounds description, and Title Insurance or Certificate of Title acceptable to MHT, certifying the owner's title to the easement real property. In addition, an update of the title work will be due after the recordation of the Deed of Perpetual Preservation Easement but prior to the disbursement of funds.
- **The easement / agreement is executed between the owner of the property and MHT and must be completed before capital improvements begin and before any grant funds can be released.**
- A perpetual preservation easement is a binding legal document that is recorded in the local land records for a particular property. It covers not just the buildings on that property, but the entire area of land that is included within the easement boundaries (this could include parking areas, gardens, etc.). The easement generally covers both the interior and exterior of all buildings on the property. The easement protects historic buildings, structures, and associated archaeological resources, and it confers approval authority to MHT for any changes to the property.
- The easement or preservation agreement must be in form and substance acceptable to MHT and the extent of the interest to be encumbered by the easement must be acceptable to MHT.
- The easement imposes obligations upon the owner and a legal encumbrance/ lien upon the easement property. Once the easement is in place, the owner (and all subsequent owners, in perpetuity) must submit to MHT for review and approval all proposed changes that go beyond routine or general maintenance. The easement also requires that land and improvements covered by an easement be maintained in good condition.
- A preservation agreement carries the same terms and obligations as an easement but applies only to properties which are personal property, not real property (e.g. ships). Since the subject property is not real property, the preservation agreement cannot be recorded in land records, so the preservation agreement is a contract between MHT and the current property owner only.
- Approximately 800 historic properties in Maryland are protected by easements or preservation agreements held by the Trust. The staff of the Trust is available to owners of easement properties to offer technical preservation expertise in the maintenance and upkeep of these historic resources.
- A sample easement is available at https://mht.maryland.gov/documents/PDF/easement/easement_sample_deed.pdf .
- More information about MHT's easements is found here: http://mht.maryland.gov/easement.shtml

Sample Letter from Property Owner

Johnnytown Historical Society
P.O. Box 1
Johnnytown, MD 00000

February 1, 2019

Courtney Hotchkiss
Capital Grants Administrator
Maryland Historical Trust
100 Community Place
Crownsville MD 21032

Dear Ms. Hotchkiss,

[The following paragraph MUST be included in the owner's correspondence:]

As the owner(s) of the property for which an MHT Capital Grant is being sought, I/we confirm my/our willingness to support the project and convey to the Maryland Historical Trust or other eligible entity a perpetual preservation easement or easement modification on the property or enter into a preservation/maintenance agreement. I/we understand that my/our confirmation is a requirement of the grant application and that the perpetual preservation easement or preservation/maintenance agreement imposes a financial obligation upon the property owner(s) and a legal encumbrance/lien upon the easement property.

[The letter must also identify all less-than-fee simple interests (mortgages, leases, mineral rights, reversionary interests, etc.) in the property. Your letter MUST include ONE of the two paragraphs below:]

I/we hereby confirm that there are no less-than-fee simple interests (mortgages, leases, mineral rights, reversionary interests, etc.) in the property.

OR

I/we hereby confirm the following less-than-fee simple interests in the property:
- **Loan from Bank of Johnnytown, $5,000**
- **Lease agreement with Johnnytown Toy Museum**

[The letter must be signed by an authorized officer of the property owner organization.]

Sincerely,

Johnny Q. Johns
President, Board of Trustees
Johnnytown Historical Society